

30 July 2021

Bowen Announced Preferred Bidder in Bluff Sale Process

Bowen Coking Coal Ltd (ASX:BCB, “Company”) is pleased to announce that it has been awarded Preferred Bidder Status in the sale process for the Bluff PCI Mine conducted by FTI Consulting as receivers and managers and controllers on behalf of Australian mining contractor MACA Ltd (ASX:MLD, “MACA”).

Bowen has entered into a term sheet with Carabella Resources Pty Ltd (receivers and managers appointed) (Controller appointed) (In liquidation) pursuant to which it has paid a \$250,000 deposit. The term sheet grants the Company exclusive rights as Preferred Bidder to conduct detailed due diligence over the next four weeks and to advance towards binding transaction documents for the acquisition of the Bluff PCI Mine assets.

The Bluff PCI Mine assets include a granted mining lease (ML80194) and approved Environmental Authority to mine up to 1.8Mtpa of high quality Ultra Low Volatile PCI coal. Coal production commenced in Q1 2019 and 1.4Mt were mined up to mid Q4 2020.

Figure 1. Bluff Mine





About Bluff PCI Mine

Bluff PCI Mine is an open pit mine located in the central Bowen Basin mining the Aries Castor, Pollux and Orion seams of the Rangal Coal Measures. The mine was approved in 2016 and mining commenced in Q1 2019, with MACA as contract mining services provider. The mine remained in production until November 2020, hauling ROM coal on road trucks to the nearby Cook Colliery, where it was washed and loaded under a toll washing agreement. Product coal was railed to the RG Tanna coal terminal at the Port of Gladstone, from where it was exported to Asia, mainly to Japanese and Korean steelmakers.

The Bluff coal product is classified as an Ultra Low Volatile PCI coal, which typically attracts a premium in the market for its low ash, high energy and high coke replacement ratio in comparison to standard PCI.

Shortly after operations commenced, Metallurgical coal prices started a downward trend, which persisted until late 2020. The previous owners went into voluntary administration in November 2020 and MACA appointed receivers and managers over the Bluff Mine assets.

The Mine acquisition also includes ownership of 1931 ha of grazing land (426 ha within the Mining Lease) on two adjacent Grazing Homestead Perpetual leases.

The Company has engaged specialist consultants alongside its own team to conduct the due diligence.

The Board of the Company has authorised the release of this announcement to the market.

For further information please contact:

Gerhard Redelinghuys
Managing Director
+61 (07) 3191 8413

Sam Aarons
Investor Relations
+61 418 906 621

About Bowen Coking Coal

Bowen Coking Coal Ltd is a Queensland based coking coal exploration company with advanced exploration and development assets. The Company owns the Broadmeadow East (100%), Isaac River (100%), Cooroorah (100%), Hillalong (90%) and Comet Ridge (100%) coking coal projects in the world-renowned Bowen Basin in Queensland, Australia. Bowen Coking Coal is also a joint venture partner with Stanmore Coal Limited in the Lilyvale (15% interest) and Mackenzie (5% interest) coking coal projects.

The highly experienced Board and management aim to grow the value of the Company's coking coal projects to benefit shareholders by leveraging innovation and maximising the assets and network of the team. An aggressive exploration and development program underpins the business strategy.

Forward-Looking Statements

Certain statements made during or in connection with this statement contain or comprise certain forward-looking statements regarding the Company's Mineral Resources, exploration operations and other economic performance and financial conditions as well as general market outlook. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, such expectations are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward-looking statements and no assurance can be given that such expectations will prove to have been correct.



Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, delays or changes in project development, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in coal prices and exchange rates and business and operational risk management. Except for statutory liability which cannot be excluded, each of the Company, its officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the material contained in this statement and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this statement or any error or omission. The Company undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events other than required by the Corporations Act and ASX Listing Rules. Accordingly, you should not place undue reliance on any forward-looking statement.